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**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**  
**DOCKET NO.: 2007-0034-AIR-E TCEQ ID: RN102212925 CASE NO.: 32141**  
**RESPONDENT NAME: Exxon Mobil Corporation**

<b>ORDER TYPE:</b>		
<input type="checkbox"/> 1660 AGREED ORDER	<input checked="" type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
<b>CASE TYPE:</b>		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Exxon Mobil Chemical Baytown Olefins Plant, 3525 Decker Drive, Baytown, Harris County</p> <p><b>TYPE OF OPERATION:</b> Chemical company</p> <p><b>SMALL BUSINESS:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There are six pending enforcement actions regarding this facility location, Docket Nos. 2005-0036-AIR-E, 2006-0736-AIR-E, 2006-2046-AIR-E, 2007-0290-AIR-E, 2007-0554-AIR-E, and 2007-0688-AIR-E.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on May 28, 2007. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b> <b>TCEQ Attorney/SEP Coordinator:</b> Ms. Melissa Keller, SEP Coordinator, Enforcement Division, MC 219, (512) 239-1768 <b>TCEQ Enforcement Coordinator:</b> Mr. John Muennink, Enforcement Division, Enforcement Team 5, MC R-14, (361) 825-3423; Mr. David Van Soest, Enforcement Division, MC 219, (512) 239-0468 <b>Respondent:</b> Mr. Adam Cantu, Environmental Section Supervisor, Exxon Mobil Corporation, P.O. Box 4004, Baytown, Texas 77522 Mr. Darrin Talley, Plant Manager, Exxon Mobil Corporation, 3525 Decker Drive, Baytown, Texas 77520 <b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p>		

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b>  <input type="checkbox"/> Complaint  <input type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input checked="" type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Dates of Investigations Relating to this Case:</b> March 9, 2005 and October 11, 2006</p> <p><b>Date of NOE Relating to this Case:</b> December 8, and 14, 2006 (NOE)</p> <p><b>Background Facts:</b> This was a routine record review. Two violations were documented.</p> <p><b>AIR</b></p> <p>1) Failure to prevent unauthorized emissions. Since these emissions were avoidable and determined to be excessive, Exxon Mobil failed to meet the demonstrations necessary to present an affirmative defense in Tex. Admin. Code § 101.222 [30 TEX. ADMIN. CODE § 116.715(a), TEX. HEALTH &amp; SAFETY CODE § 382.085(b) and Flexible Permit No. 3452, Special Condition No. 1].</p> <p>2) Failed to prevent unauthorized emissions. Since these emissions were avoidable, Exxon Mobil failed to meet the demonstrations necessary to present an affirmative defense in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE § 116.715(a), TEX. HEALTH &amp; SAFETY CODE § 382.085(b) and Flexible Permit No. 3452, Special Condition No. 1].</p>	<p><b>Total Assessed:</b> \$44,575</p> <p><b>Total Deferred:</b> \$0  <input type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$22,287</p> <p><b>Total Paid to General Revenue:</b> \$22,288</p> <p><b>Site Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p> <p><b>Findings Orders Justification:</b> Unauthorized emissions which are excessive emissions events.</p>	<p><b>Ordering Provisions:</b></p> <p>1) The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p> <p>2) The Order will also require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order, implement measures designed to prevent the reoccurrence of emissions due to the same causes as that of the August 3, 2006 emission event;</p> <p>b. Within 45 days after the effective date of this Agreed Order, submit written certification to demonstrate compliance with Ordering Provision No. 2.a.;</p> <p>c. Comply with the TCEQ request dated December 8, 2006 for submittal of a corrective action plan ("CAP") to address the excessive emissions event that occurred on December 24, 2004;</p> <p>d. Respond completely and adequately, as determined by the executive director, to all written requests for information concerning the submitted CAP within 15 days after the date of such requests, or by other deadline specified in writing;</p> <p>e. Upon Commission approval, implement the CAP in accordance with the approved schedule; and</p> <p>f. Upon completion of CAP implementation, submit written certification to demonstrate compliance with Ordering Provisions 2.c. through 2.e.</p>

**Attachment A**  
**Docket Number: 2007-0034-AIR-E**

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Exxon Mobil Corporation</b>
<b>Payable Penalty Amount:</b>	<b>Forty-Four Thousand Five Hundred Seventy-Five Dollars (\$44,575)</b>
<b>SEP Amount:</b>	<b>Twenty-Two Thousand Two Hundred Eighty-Seven Dollars (\$22,287)</b>
<b>Type of SEP:</b>	<b>Pre-approved</b>
<b>Third-Party Recipient:</b>	<b>Houston-Galveston AERCO's Clean Cities/Clean Vehicles Program</b>
<b>Location of SEP:</b>	<b>Harris County</b>

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

**A. Project**

The Respondent will contribute to Houston-Galveston AERCO's Clean Cities/Clean Vehicles Program in Harris County. The contribution will be used in accordance with the ***Supplemental Environmental Project Agreement between the Houston-Galveston AERCO and the Texas Commission on Environmental Quality***. SEP monies will be used to aid local school districts and area transit agencies in reaching local match requirements mandated by the Federal Highway Administration's ("FHWA") Congestion Mitigation/Air Quality funding program. SEP monies will be disbursed to school districts and transit agencies in need of funding assistance in the Houston-Galveston non-attainment area. Those SEP monies will be used exclusively by the school districts and transit agencies as supplements to meet the local match requirements of the EPA. SEP monies will be used to pay for the cost of replacing older diesel buses with alternative fueled or clean diesel buses. The old buses will be permanently retired and only sold for scrap. The schools and transit agencies will also use the SEP monies to retrofit more buses to reduce emissions. Houston-Galveston AERCO will send the TCEQ verification in the form of paid invoices and other documentation to show that the retrofits were completed. Retrofit technologies include particulate matter traps, diesel particulate matter filters, NOx reduction catalyst technology in combination with diesel particulate filters, and other emission control technologies that are developed and approved by EPA or the California Air Resources Board.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

1. The first part of the document is a letter from the President of the United States to the Congress, dated January 3, 1862. It is a very important document, as it contains the President's annual message to Congress, which is a key part of the executive branch's communication with the legislative branch.

2. The second part of the document is a report from the Secretary of the Interior, dated January 10, 1862. It is a very important document, as it contains the Secretary's annual report to the President, which is a key part of the executive branch's communication with the President.

3. The third part of the document is a report from the Secretary of the Treasury, dated January 15, 1862. It is a very important document, as it contains the Secretary's annual report to the President, which is a key part of the executive branch's communication with the President.

4. The fourth part of the document is a report from the Secretary of the War, dated January 20, 1862. It is a very important document, as it contains the Secretary's annual report to the President, which is a key part of the executive branch's communication with the President.

5. The fifth part of the document is a report from the Secretary of the Navy, dated January 25, 1862. It is a very important document, as it contains the Secretary's annual report to the President, which is a key part of the executive branch's communication with the President.

6. The sixth part of the document is a report from the Secretary of the State, dated January 30, 1862. It is a very important document, as it contains the Secretary's annual report to the President, which is a key part of the executive branch's communication with the President.

7. The seventh part of the document is a report from the Secretary of the War, dated February 5, 1862. It is a very important document, as it contains the Secretary's annual report to the President, which is a key part of the executive branch's communication with the President.

8. The eighth part of the document is a report from the Secretary of the Navy, dated February 10, 1862. It is a very important document, as it contains the Secretary's annual report to the President, which is a key part of the executive branch's communication with the President.

9. The ninth part of the document is a report from the Secretary of the State, dated February 15, 1862. It is a very important document, as it contains the Secretary's annual report to the President, which is a key part of the executive branch's communication with the President.

**B. Environmental Benefit**

This SEP will provide a discernible environmental benefit by reducing particulate emissions on buses by more than 90% below today's level and reducing hydrocarbons below measurement capability.

**C. Minimum Expenditure**

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Houston-Galveston Area Council  
Houston-Galveston AERCO  
P.O. Box 22777  
Houston, Texas 77227-2777

**3. Records and Reporting**

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division  
Attention: SEP Coordinator, MC 219  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

**4. Failure to Fully Perform**

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Texas Commission on Environmental Quality  
Financial Administration Division, Revenues  
Attention: Cashier, MC 214  
P.O. Box 13088  
Austin, Texas 78711-3088



The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.

**5. Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

**6. Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.







# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision December 8, 2006

**TCEQ**

<b>DATES</b>	<b>Assigned</b>	18-Dec-2006
	<b>PCW</b>	31-Jan-2007
	<b>Screening</b>	8-Jan-2007
	<b>EPA Due</b>	4-Sep-2007

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	Exxon Mobil Corporation
<b>Reg. Ent. Ref. No.</b>	RN102212925
<b>Facility/Site Region</b>	12-Houston
<b>Major/Minor Source</b>	Major

## CASE INFORMATION

<b>Enf./Case ID No.</b>	32141	<b>No. of Violations</b>	2	
<b>Docket No.</b>	2007-0034-AIR-E	<b>Order Type</b>	Findings	
<b>Media Program(s)</b>	Air Quality	<b>Enf. Coordinator</b>	John Muennink	
<b>Multi-Media</b>		<b>EC's Team</b>	Enforcement Team 6	
<b>Admin. Penalty \$</b>	<b>Limit Minimum</b>	\$0	<b>Maximum</b>	\$10,000

## Penalty Calculation Section

### TOTAL BASE PENALTY (Sum of violation base penalties)

**Subtotal 1** \$42,500

### ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

**Compliance History** 83% Enhancement **Subtotals 2, 3, & 7** \$35,275

**Notes** Enhancement due to 10 NOVs with same or similar violations, four NOVs with unrelated violations and one Findings Order.

**Culpability** No 0% Enhancement

**Subtotal 4** \$0

**Notes** Respondent does not meet the culpability criteria.

**Good Faith Effort to Comply** 0% Reduction

**Subtotal 5** \$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	X	(mark with x)

**Notes** The Respondent does not meet the good faith criteria.

**Total EB Amounts** \$185  
**Approx. Cost of Compliance** \$2,300

0% Enhancement\*  
\*Capped at the Total EB \$ Amount

**Subtotal 6** \$0

### SUM OF SUBTOTALS 1-7

**Final Subtotal** \$77,775

### OTHER FACTORS AS JUSTICE MAY REQUIRE

**Adjustment** \$0

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

**Notes**

**Final Penalty Amount** \$77,775

### STATUTORY LIMIT ADJUSTMENT

**Final Assessed Penalty** \$44,575

### DEFERRAL

0%

Reduction

**Adjustment** \$0

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

**Notes**

No deferral is recommended for Findings Orders.

### PAYABLE PENALTY

\$44,575

Screening Date 8-Jan-2007

Docket No. 2007-0034-AIR-E

PCW

Respondent Exxon Mobil Corporation

Policy Revision 2 (September 2002)

Case ID No. 32141

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN102212925

Media [Statute] Air Quality

Enf. Coordinator John Muennink

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	10	50%
	Other written NOVs	4	8%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	1	25%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgments or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 83%

## &gt;&gt; Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

## &gt;&gt; Compliance History Summary

Compliance  
History  
Notes

Enhancement due to 10 NOVs with same or similar violations, four NOVs with unrelated violations and one Findings Order.

Total Adjustment Percentage (Subtotals 2, 3, &amp; 7) 83%

Screening Date 8-Jan-2007

Docket No. 2007-0034-AIR-E

PCW

Respondent Exxon Mobil Corporation

Policy Revision 2 (September 2002)

Case ID No. 32141

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN102212925

Media [Statute] Air Quality

Enf. Coordinator John Muennink

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 116.715(a), Tex. Health &amp; Safety Code § 382.085(b) and Flexible Permit No. 3452, Special Condition No. 1

Violation Description

Failed to prevent unauthorized emissions. Specifically, 66,236 pounds ("lbs") of volatile organic compounds ("VOC"), 37,907 lbs of carbon monoxide ("CO") and 5,314 lbs of nitrogen oxides ("NOx") were released from the Base Operating Unit during an emissions event that began on December 24, 2004 and lasted 77 hours. Since these emissions were avoidable and determined to be excessive, Exxon Mobil failed to meet the demonstrations necessary to present an affirmative defense in Tex. Admin. Code § 101.222.

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual	x		
Potential			

Percent 100%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to a significant amount of pollutants that exceed levels protective of human health or environmental receptors.

Adjustment \$0

\$10,000

## Violation Events

Number of Violation Events 4

4

Number of violation days

mark only one with an x	daily	x
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	

Violation Base Penalty \$40,000

Four daily events are recommended.

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$126

Violation Final Penalty Total \$73,200

This violation Final Assessed Penalty (adjusted for limits) \$40,000

# Economic Benefit Worksheet

Respondent Exxon Mobil Corporation  
Case ID No. 32141  
Reg. Ent. Reference No. RN102212925  
Media Air Quality  
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$1,000	24-Dec-2004	30-Jun-2007	2.5	\$126	n/a	\$126

Notes for DELAYED costs

Estimated expense to implement measures designed to prevent the reoccurrence of emissions. Date required is the date of the emissions event. Final date is the estimated date that corrective actions will be completed.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,000

TOTAL

\$126

Screening Date 8-Jan-2007

Docket No. 2007-0034-AIR-E

PCW

Respondent Exxon Mobil Corporation

Policy Revision 2 (September 2002)

Case ID No. 32141

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN102212925

Media [Statute] Air Quality

Enf. Coordinator John Muennink

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 116.715(a), Tex. Health &amp; Safety Code § 382.085(b) and Flexible Permit No. 3452, Special Condition No. 1

Violation Description

Failed to prevent unauthorized emissions. Specifically, 408.14 lbs of CO, 56.25 lbs of NOx and 1,113.61 lbs of VOCs were released from the Butadiene Unit during an emissions event that began on August 3, 2006 and lasted seven hours. Since these emissions were avoidable, Exxon Mobil failed to meet the demonstrations necessary to present an affirmative defense in Tex. Admin. Code § 101.222.

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 25%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants as a result of the violation.

Adjustment \$7,500

\$2,500

## Violation Events

Number of Violation Events 1

1 Number of violation days

mark only one with an x	daily	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	X

Violation Base Penalty \$2,500

One single event is recommended.

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$59

Violation Final Penalty Total \$4,575

This violation Final Assessed Penalty (adjusted for limits) \$4,575

## Economic Benefit Worksheet

**Respondent** Exxon Mobil Corporation  
**Case ID No.** 32141  
**Reg. Ent. Reference No.** RN102212925  
**Media** Air Quality  
**Violation No.** 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

### Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$1,300	3-Aug-2006	30-Jun-2007	0.9	\$59	n/a	\$59

Notes for DELAYED costs

Estimated expense to implement measures designed to prevent the reoccurrence of emissions. Date required is the date of the emissions event. Final date is the estimated date that corrective actions will be completed.

### Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,300

TOTAL

\$59

## Compliance History

Customer/Respondent/Owner-Operator:	CN600123939	Exxon Mobil Corporation	Classification: AVERAGE	Rating: 2.80
Regulated Entity:	RN102212925	EXXON MOBIL CHEMICAL BAYTOWN OLEFINS PLANT	Classification: AVERAGE	Site Rating: 0.73

ID Number(s):	WASTEWATER	PERMIT	WQ0002184000
	WASTEWATER	PERMIT	TX0077887000
	AIR NEW SOURCE PERMITS	PERMIT	3452
	AIR NEW SOURCE PERMITS	PERMIT	29094
	AIR NEW SOURCE PERMITS	PERMIT	34420
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG0228H
	AIR NEW SOURCE PERMITS	PERMIT	52330
	AIR NEW SOURCE PERMITS	REGISTRATION	54793
	AIR NEW SOURCE PERMITS	PERMIT	54383
	AIR NEW SOURCE PERMITS	PERMIT	53401
	AIR NEW SOURCE PERMITS	AFS NUM	0257
	AIR NEW SOURCE PERMITS	REGISTRATION	56790
	AIR NEW SOURCE PERMITS	REGISTRATION	71717
	AIR NEW SOURCE PERMITS	PERMIT	P731M2
	AIR NEW SOURCE PERMITS	PERMIT	55105
	AIR NEW SOURCE PERMITS	PERMIT	55660
	AIR NEW SOURCE PERMITS	REGISTRATION	73880
	AIR NEW SOURCE PERMITS	REGISTRATION	74541
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX302M1
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX731M2
	AIR NEW SOURCE PERMITS	REGISTRATION	78611
	AIR NEW SOURCE PERMITS	REGISTRATION	78591
	AIR NEW SOURCE PERMITS	REGISTRATION	79047
	AIR NEW SOURCE PERMITS	REGISTRATION	80283
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD980625966
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	31404
	AIR OPERATING PERMITS	PERMIT	1553
	AIR OPERATING PERMITS	ACCOUNT NUMBER	HG0228H

Location: 3525 DECKER DR, BAYTOWN, TX, 77520      Rating Date: September 01 06 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: January 04, 2007

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: January 04, 2002 to January 04, 2007

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: John Muennink      Phone: (361) 825-3423

### Site Compliance History Components

- |  |            |
|--|------------|
| 1. Has the site been in existence and/or operation for the full five year compliance period? | Yes        |
| 2. Has there been a (known) change in ownership of the site during the compliance period?    | No         |
| 3. If Yes, who is the current owner?   | <u>N/A</u> |
| 4. If Yes, who was/were the prior owner(s)?  | <u>N/A</u> |
| 5. When did the change(s) in ownership occur?  | <u>N/A</u> |

### Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

Effective Date: 07/22/2006  
Classification: Minor

ADMINORDER 2005-2070-AIR-E

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to submit initial notification within 24 hours after discovery of emissions event that occurred from August 17, 2004 to December 2, 2004.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 3452, Special Condition 1 PERMIT

Description: Failed to prevent the unauthorized emissions of 16,272 lbs of ethylene, 6,395 lbs of propylene and 91,264 lbs of carbon monoxide from the main burner vent valve during an emissions event that occurred from August 17, 2004 to December 2, 2004, lasting 2,568 hours.

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1	07/02/2003	(119540)
2	07/16/2003	(47649)
3	12/19/2002	(10826)
4	06/20/2006	(503244)
5	07/17/2006	(503245)
6	12/21/2004	(339334)
7	05/19/2005	(373581)
8	06/19/2003	(40869)
9	08/13/2002	(6066)
10	08/31/2002	(9591)
11	12/06/2005	(376780)
12	12/13/2004	(287868)
13	06/28/2002	(3241)
14	10/23/2006	(509809)
15	05/20/2005	(373582)
16	05/30/2006	(479940)
17	08/31/2002	(10243)
18	09/03/2004	(280144)
19	11/08/2004	(339636)
20	10/07/2002	(10090)
21	08/17/2006	(525611)
22	09/19/2006	(525612)
23	09/30/2004	(280282)
24	02/19/2002	(203993)
25	02/21/2003	(203994)
26	08/16/2002	(6645)
27	05/24/2006	(463814)
28	05/31/2006	(464208)
29	05/24/2006	(464433)
30	02/10/2006	(438263)
31	05/05/2003	(28946)
32	03/18/2002	(203996)
33	03/21/2003	(203997)
34	09/02/2004	(279829)
35	06/30/2004	(271595)
36	12/07/2006	(514158)
37	04/18/2002	(204001)
38	01/06/2003	(16230)
39	08/31/2006	(510492)
40	04/22/2003	(204002)
41	12/14/2006	(531122)
42	03/21/2005	(341471)
43	09/02/2004	(279860)
44	05/30/2006	(479920)
45	05/16/2002	(204005)
46	07/26/2005	(400606)
47	05/30/2006	(479932)
48	05/22/2003	(204006)
49	09/01/2004	(288748)
50	08/31/2002	(4902)
51	09/30/2004	(287843)
52	09/30/2004	(287848)
53	08/13/2004	(277844)
54	06/20/2002	(204009)
55	11/15/2006	(515850)
56	08/15/2005	(404700)
57	08/16/2004	(278248)
58	06/23/2003	(204010)
59	12/20/2006	(516286)
60	07/14/2005	(392795)



61	08/16/2004	(277845)
62	05/05/2003	(29004)
63	05/30/2006	(479928)
64	07/22/2002	(204013)
65	08/29/2006	(480895)
66	07/22/2003	(204014)
67	06/25/2003	(96672)
68	10/31/2004	(287875)
69	08/23/2002	(204017)
70	04/10/2003	(29966)
71	02/21/2003	(204018)
72	02/09/2004	(259540)
73	06/28/2002	(3177)
74	10/31/2004	(289550)
75	07/14/2005	(396285)
76	07/17/2006	(481459)
77	05/30/2006	(479945)
78	10/31/2004	(289551)
79	02/23/2004	(314720)
80	09/16/2002	(204021)
81	09/30/2004	(289552)
82	09/30/2004	(289553)
83	03/22/2003	(314722)
84	08/24/2006	(480881)
85	04/07/2003	(23967)
86	03/25/2005	(374513)
87	10/31/2004	(289554)
88	09/01/2004	(277846)
89	04/19/2004	(314723)
90	05/25/2005	(349417)
91	10/21/2002	(204024)
92	12/13/2004	(289555)
93	07/14/2004	(360120)
94	05/18/2004	(314725)
95	12/13/2004	(289556)
96	08/20/2004	(360121)
97	08/24/2005	(397056)
98	09/01/2004	(288665)
99	07/14/2005	(392796)
100	09/21/2004	(360122)
101	09/30/2004	(289557)
102	06/17/2004	(314727)
103	11/22/2002	(204028)
104	10/19/2004	(360123)
105	11/16/2004	(360124)
106	08/29/2005	(405282)
107	12/20/2004	(360125)
108	09/01/2004	(288722)
109	09/19/2003	(314731)
110	10/26/2004	(292713)
111	05/30/2006	(479910)
112	08/31/2002	(4912)
113	12/17/2002	(204032)
114	10/21/2003	(314733)
115	11/21/2003	(314734)
116	05/10/2005	(339150)
117	12/29/2003	(314735)
118	08/31/2002	(9413)
119	01/18/2002	(204035)
120	09/19/2003	(314736)
121	01/23/2003	(204036)
122	09/30/2004	(289561)
123	08/16/2004	(277785)
124	02/14/2005	(386364)
125	04/04/2003	(29321)
126	06/28/2002	(3145)
127	09/22/2006	(513668)
128	03/18/2005	(386365)
129	09/03/2004	(279795)
130	01/14/2005	(386366)
131	08/07/2006	(488663)
132	11/29/2004	(339359)

133	10/14/2002	(11512)
134	09/30/2004	(289677)
135	12/13/2004	(289563)
136	08/05/2005	(403334)
137	06/25/2003	(99067)
138	07/03/2002	(3285)
139	09/30/2004	(289566)
140	05/29/2003	(31277)
141	09/01/2004	(278352)
142	09/03/2004	(280037)
143	07/19/2005	(445026)
144	09/30/2004	(289679)
145	08/06/2002	(7039)
146	11/08/2004	(339632)
147	01/08/2002	(103243)
148	08/10/2005	(445027)
149	09/03/2004	(280123)
150	01/24/2002	(103244)
151	08/28/2003	(152674)
152	07/28/2006	(465223)
153	09/20/2005	(445028)
154	07/14/2005	(392797)
155	02/04/2002	(103245)
156	02/04/2002	(103246)
157	10/24/2005	(445029)
158	02/07/2002	(103247)
159	11/09/2004	(339460)
160	04/18/2005	(424253)
161	09/30/2004	(287862)
162	02/07/2002	(103248)
163	05/31/2006	(341397)
164	05/17/2005	(424254)
165	02/07/2002	(103249)
166	01/19/2006	(439145)
167	02/07/2002	(103250)
168	08/13/2002	(6041)
169	06/17/2005	(424255)
170	02/07/2002	(103251)
171	12/13/2004	(271258)
172	08/31/2002	(9080)
173	02/13/2002	(103252)
174	02/03/2006	(437332)
175	02/21/2002	(103253)
176	11/16/2006	(519233)
177	02/22/2002	(103254)
178	11/29/2004	(339626)
179	09/03/2004	(279817)
180	02/26/2002	(103255)
181	03/28/2006	(452535)
182	02/26/2002	(103256)
183	02/26/2002	(103257)
184	08/29/2006	(480887)
185	02/26/2002	(103258)
186	02/26/2002	(103259)
187	02/28/2006	(457054)
188	03/01/2002	(103260)
189	06/18/2004	(271703)
190	08/13/2004	(278593)
191	02/21/2006	(476045)
192	09/03/2004	(280111)
193	11/28/2005	(476046)
194	03/04/2002	(103261)
195	09/30/2004	(287902)
196	12/20/2005	(476047)
197	09/30/2004	(288587)
198	06/18/2004	(271704)
199	08/31/2004	(278199)
200	01/23/2006	(476048)
201	12/11/2006	(373579)
202	02/07/2006	(433592)
203	03/20/2006	(503241)
204	04/22/2005	(377892)

205 08/31/2002 (8103)  
 206 04/21/2006 (503242)  
 207 05/22/2006 (503243)  
 208 11/08/2004 (339363)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date: 05/23/2006 (463814)  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
 5C THC Chapter 382, SubChapter A 382.085(b)  
 Rqmt Prov: PERMIT IA  
 Description: Exxon/Mobil failed to maintain the RC-01 Butadiene Compressor.  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)  
 Description: Exxon/Mobil failed to identify TCEQ Air Permit No. 3452 governing the facilities involved in emissions event (Incident No. 69812).  
 Date: 08/25/2006 (480887)  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
 5C THC Chapter 382, SubChapter D 382.085(b)  
 Rqmt Prov: PERMIT IA  
 Description: ExxonMobil failed to maintain the liquid hydrocarbons levels in the MD-16, the Cold Blowdown Drum.  
 Date: 05/10/2005 (339150)  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)(1)  
 5C THC Chapter 382, SubChapter A 382.085(b)  
 Description: ExxonMobil BOP had an avoidable emissions event during Incident 49018,  
 Date: 05/31/2006 (464208)  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THC Chapter 382, SubChapter A 382.085(b)  
 Rqmt Prov: OP IA  
 PERMIT IA  
 Description: Failed to prevent the exceedence of the annual firing rate limit, which occurred from February 1, 2005 through February 28, 2005.  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 117, SubChapter B 117.206(e)(2)  
 5C THC Chapter 382, SubChapter A 382.085(b)  
 Description: Failed to prevent the incorrect calibration of the analyzer resulting in excess ammonia being injected into the system causing a exceedence in the 24-hour rolling average concentration, which occurred from March 21, 2005, 6:00 a.m.  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 115, SubChapter H 115.781(b)(3)  
 30 TAC Chapter 116, SubChapter G 116.715(a)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THC Chapter 382, SubChapter A 382.085(b)  
 Rqmt Prov: OP IA  
 PERMIT IA  
 Description: Failed to monitor a flange (LDAR tag #13300.1) in HRVOC service for two quarters (April 1, 2005 through October 2, 2005).  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 30 TAC Chapter 122, SubChapter B 122.145(2)(A)  
 5C THC Chapter 382, SubChapter A 382.085(b)  
 Rqmt Prov: OP IA  
 Description: Failed to include non-reportable emissions events and start-up activities that occurred during the certification period as deviations in the deviation reports dated July 15, 2005 and January 13, 2006.  
 Date: 07/28/2006 (465223)  
 Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)  
 Description: Exxon/Mobil failed to identify TCEQ Air Permit No. 3452 as the governing authorization for the facilities involved in emissions event (Incident No. 70899).  
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
 5C THC Chapter 382, SubChapter D 382.085(b)  
 Rqmt Prov: PERMIT IA  
 Description: Exxon/Mobil failed to maintain the NT-02 bottom's balance lines.  
 Date: 08/25/2006 (480895)  
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
 5C THC Chapter 382, SubChapter D 382.085(b)  
 Rqmt Prov: PERMIT IA  
 Description: ExxonMobil Chemical Baytown failed to maintain the protective relay to the XVCM-02 compressor motor which resulted in the release of 1,621 pounds of unauthorized volatile organic compounds (VOC) to the atmosphere.  
 Date: 02/06/2006 (437332)  
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
 5C THC Chapter 382, SubChapter A 382.085(b)  
 Rqmt Prov: PERMIT IA  
 Description: Failure to prevent unauthorized emissions.  
 Date: 05/20/2005 (373582)  
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)(1)  
 5C THC Chapter 382, SubChapter A 382.085(b)  
 Description: BOP had an avoidable emissions event during Incident 51478. Incident was not reported on time. Incident was not excessive.  
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(A)  
 Description: BOP had a late report during Incident 51478. Not excessive.  
 Date: 10/27/2002 (10090)  
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
 Description: Failure to control emissions.  
 Date: 07/14/2005 (396285)  
 Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(8)  
 Description: Failure to identify the preconstruction authorization number governing the facility involved in the emissions event.  
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
 5C THC Chapter 382, SubChapter A 382.085(b)  
 Rqmt Prov: PERMIT IA  
 Description: Unauthorized emissions as a consequence of failure to comply with the reporting requirements.  
 Date: 11/16/2006 (519233)  
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
 5C THC Chapter 382, SubChapter D 382.085(b)  
 Rqmt Prov: PA IA  
 Description: Failure to prevent an avoidable emissions event.  
 Date: 04/08/2003 (29321)  
 Self Report? NO Classification: Major

Citation: 30 TAC Chapter 101, SubChapter F 101.222(b)(3)  
 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G)  
 Description: Failure to control VOC emissions during a routine process operation.  
 Date: 02/06/2006 (433592)  
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
 5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT IA  
Description: Failure to prevent unauthorized emissions.  
Date: 03/01/2002 (103260)  
Self Report? NO  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
Description: NSPS STANDARDS  
Classification: Moderate

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A



# TEXAS NATURAL RESOURCE CONSERVATION COMMISSION



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
EXXON MOBIL CORPORATION  
RN102212925**

**§ BEFORE THE  
§  
§ TEXAS COMMISSION ON  
§  
§ ENVIRONMENTAL QUALITY**

## **AGREED ORDER DOCKET NO. 2007-0034-AIR-E**

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Exxon Mobil Corporation ("Exxon Mobil") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and Exxon Mobil presented this agreement to the Commission.

Exxon Mobil understands that they have certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, Exxon Mobil agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully integrated settlement of the parties. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Agreed Order are binding upon Exxon Mobil.

The Commission makes the following Findings of Fact and Conclusions of Law:

### **I. FINDINGS OF FACT**

1. Exxon Mobil owns and operates a chemical company at 3525 Decker Drive in Baytown, Harris County, Texas (the "Plant").





2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. During record reviews on March 9, 2005 and October 11, 2006, TCEQ staff documented:
  - a. The release of 66,236 pounds ("lbs") of volatile organic compounds ("VOC"), 37,907 lbs of carbon monoxide ("CO") and 5,314 lbs of nitrogen oxides ("NOx") from the Base Operating Unit during an emissions event that began on December 24, 2004 and lasted 77 hours; and
  - b. The release of 408.14 lbs of CO, 56.25 lbs of NOx and 1,113.61 lbs of VOCs from the Butadiene Unit during an emissions event that began on August 3, 2006 and lasted seven hours.
4. Exxon Mobil received notice of the violations on December 13 and 19, 2006.

## II. CONCLUSIONS OF LAW

1. Exxon Mobil is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7 and the rules of the Commission.
2. As evidenced by Findings of Fact No. 3.a., Exxon Mobil failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE § 116.715(a), TEX. HEALTH & SAFETY CODE § 382.085(b) and Flexible Permit No. 3452, Special Condition No. 1. Since these emissions were avoidable and determined to be excessive, Exxon failed to meet the demonstrations necessary to present an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.
3. As evidenced by Findings of Fact No. 3.b., Exxon Mobil failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE § 116.715(a), TEX. HEALTH & SAFETY CODE § 382.085(b) and Flexible Permit No. 3452, Special Condition No. 1. Since these emissions were avoidable, Exxon failed to meet the demonstrations necessary to present an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.
4. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against Exxon Mobil for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
5. An administrative penalty in the amount of Forty-Four Thousand Five Hundred Seventy-Five Dollars (\$44,575) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. Exxon Mobil has paid Twenty-Two Thousand Two Hundred Eighty-Eight Dollars (\$22,288) of the administrative penalty. Twenty-Two Thousand Two Hundred Eighty-Seven Dollars (\$22,287) shall be conditionally offset by Exxon Mobil's completion of a Supplemental Environmental Project ("SEP").



### III. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. Exxon Mobil is assessed an administrative penalty in the amount of Forty-Four Thousand Five Hundred Seventy-Five Dollars (\$44,575) as set forth in Section II, Paragraph 5 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and Exxon Mobil's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Exxon Mobil Corporation, Docket No. 2007-0034-AIR-E" to:

Financial Administration Division, Revenues Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. Exxon Mobil shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section II, Paragraph 5 above, Twenty-Two Thousand Two Hundred Eighty-Seven Dollars (\$22,287) of the assessed administrative penalty shall be offset with the condition that Exxon Mobil implement the SEP defined in Attachment A, incorporated herein by reference. Exxon Mobil's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. Exxon Mobil shall undertake the following technical requirements:
  - a. Within 30 days after the effective date of this Agreed Order, implement measures designed to prevent the reoccurrence of emissions due to the same causes as that of the August 3, 2006 emission event;
  - b. Within 45 days after the effective date of this Agreed Order, submit written certification to demonstrate compliance with Ordering Provision No. 3.a.;
  - c. Comply with the TCEQ request dated December 8, 2006 for submittal of a corrective action plan ("CAP") to address the excessive emissions event that occurred on December 24, 2004, in accordance with 30 TEX. ADMIN. CODE § 101.223(a)(1);
  - d. Respond completely and adequately, as determined by the Executive Director, to all written requests for information concerning the submitted CAP within 15 days after the date of such requests, or by other deadline specified in writing;
  - e. Upon Commission approval, implement the CAP in accordance with the approved schedule; and



- f. Upon completion of CAP implementation, submit written certification to demonstrate compliance with Ordering Provisions 3.c. through 3.e. as described below:

The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team  
Enforcement Division, MC 149A  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

with a copy to:

Air Quality Section, Manager  
Houston Regional Office  
Texas Commission on Environmental Quality  
5425 Polk Avenue, Suite H  
Houston, Texas 77023-1486

4. The provisions of this Agreed Order shall apply to and be binding upon Exxon Mobil. Exxon Mobil is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
5. If Exxon Mobil fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, Exxon Mobil's failure to comply is not a violation of this Agreed Order. Exxon Mobil shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Exxon Mobil shall notify the Executive Director within seven days after Exxon Mobil becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by Exxon Mobil shall be made in writing to the Executive Director. Extensions are not effective until Exxon Mobil receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
7. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to Exxon Mobil if the



Executive Director determines that Exxon Mobil has not complied with one or more of the terms or conditions in this Agreed Order.

8. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
9. This Agreed Order, issued by the Commission, shall not be admissible against Exxon Mobil in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
10. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
11. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

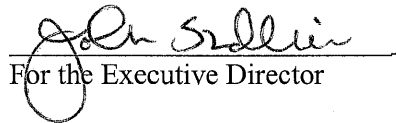




## SIGNATURE PAGE

### TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

  
\_\_\_\_\_  
For the Executive Director

8/9/2007  
Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of Exxon Mobil Corporation. I am authorized to agree to the attached Agreed Order on behalf of Exxon Mobil Corporation, and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, Exxon Mobil Corporation waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

I also understand that my failure to comply with the Ordering Provisions, if any, in this order and/or my failure to timely pay the penalty amount, may result in:

- A negative impact on my compliance history;
- Greater scrutiny of any permit applications submitted by me;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions against me;
- Automatic referral to the Attorney General's Office of any future enforcement actions against me; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

  
\_\_\_\_\_  
Signature

3/20/07  
Date

Darrie Tally  
\_\_\_\_\_  
Name (Printed or typed)  
Authorized Representative of  
Exxon Mobil Corporation

Plant Manager  
\_\_\_\_\_  
Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.



**Attachment A**  
**Docket Number: 2007-0034-AIR-E**

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Exxon Mobil Corporation</b>
<b>Payable Penalty Amount:</b>	<b>Forty-Four Thousand Five Hundred Seventy-Five Dollars (\$44,575)</b>
<b>SEP Amount:</b>	<b>Twenty-Two Thousand Two Hundred Eighty-Seven Dollars (\$22,287)</b>
<b>Type of SEP:</b>	<b>Pre-approved</b>
<b>Third-Party Recipient:</b>	<b>Houston-Galveston AERCO's Clean Cities/Clean Vehicles Program</b>
<b>Location of SEP:</b>	<b>Harris County</b>

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

**A. Project**

The Respondent will contribute to Houston-Galveston AERCO's Clean Cities/Clean Vehicles Program in Harris County. The contribution will be used in accordance with the *Supplemental Environmental Project Agreement between the Houston-Galveston AERCO and the Texas Commission on Environmental Quality*. SEP monies will be used to aid local school districts and area transit agencies in reaching local match requirements mandated by the Federal Highway Administration's ("FHWA") Congestion Mitigation/Air Quality funding program. SEP monies will be disbursed to school districts and transit agencies in need of funding assistance in the Houston-Galveston non-attainment area. Those SEP monies will be used exclusively by the school districts and transit agencies as supplements to meet the local match requirements of the EPA. SEP monies will be used to pay for the cost of replacing older diesel buses with alternative fueled or clean diesel buses. The old buses will be permanently retired and only sold for scrap. The schools and transit agencies will also use the SEP monies to retrofit more buses to reduce emissions. Houston-Galveston AERCO will send the TCEQ verification in the form of paid invoices and other documentation to show that the retrofits were completed. Retrofit technologies include particulate matter traps, diesel particulate matter filters, NOx reduction catalyst technology in combination with diesel particulate filters, and other emission control technologies that are developed and approved by EPA or the California Air Resources Board.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.



**B.     Environmental Benefit**

This SEP will provide a discernible environmental benefit by reducing particulate emissions on buses by more than 90% below today's level and reducing hydrocarbons below measurement capability.

**C.     Minimum Expenditure**

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

**2.     Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Houston-Galveston Area Council  
Houston-Galveston AERCO  
P.O. Box 22777  
Houston, Texas 77227-2777

**3.     Records and Reporting**

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division  
Attention: SEP Coordinator, MC 219  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

**4.     Failure to Fully Perform**

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Texas Commission on Environmental Quality  
Financial Administration Division, Revenues  
Attention: Cashier, MC 214  
P.O. Box 13088  
Austin, Texas 78711-3088



The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.

**5. Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

**6. Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

